



October 17, 2012

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street S.W.
Washington, D.C. 20554

Re: Jive Communications, Inc., Notice of *Ex Parte* Communication,
CC Docket No. 02-6

Dear Ms. Dortch:

Pursuant to the requirements of Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, Jive Communications, Inc. ("Jive Communications") hereby discloses that, on October 15, 2012, John Pope and the undersigned, of Jive Communications, together with Cynthia B. Schultz and Philip Gieseler of The Schultz Group, PLLC, met with Mark Nadel and James Bachtell of the Wireline Competition Bureau.

The materials attached to this letter were distributed during the meeting and summarize the points made in the discussion, which are consistent with the previous advocacy of Jive Communications in this matter.

In accordance with the Commission's rules, this notice is being filed electronically in the above-referenced docket. Should you have any questions, please contact Cynthia B. Schultz at 202-361-6550.

Very truly yours,

/s/ Michael K. Sharp

Michael K. Sharp
Chief Operating Officer
Jive Communications, Inc.
1275 W. 1600 N., Suite 102
Orem, Utah 84057

cc: Lisa Hone
Mark Nadel
James Bachtell



Free Handset Policy

October 15, 2012

The Commission Should Direct USAC to Act on Pending Funding Requests Involving Jive's Hosted VOIP Service.

- Jive's Hosted VOIP service offering complies with the Free Handset Policy articulated in the *Clarification Order*.
- Jive offers free handsets (VOIP phones) to commercial and public sector customers that make a 36-month term commitment to purchase Jive's Hosted VOIP service.
- SECA Reply Comments at 5: "There should be **no** price differential between the cost of E-rate eligible service with or without the bundled handset." We agree.
- USAC is holding all Jive funding requests without action, even those that do not include free handsets.

Jive Supports the Bureau's Decision in the Clarification Order to Exempt "Equipment with Service" Arrangements from the Cost Allocation Rules.

- Allowing E-Rate applicants to take advantage of commercial offers that include service and equipment advances the Commission's goals for the E-Rate Program.
- In the case of Jive's Hosted VoIP service offering, the "free phones" offer is *always* more economical, since the monthly price is unchanged.
- There is no increase in price, and hence no added pressure to the Funding Cap, for *bona fide* offers that comply with the Commission's policy.
- The Policy Should not be limited to wireless handsets:
 - Long-standing FCC policy in E-rate and all areas calls for "technological neutrality," i.e., similar treatment for similar services.
 - Different treatment for wireless and wireline technologies improperly interferes with evolving market trends .

Jive Urges The Commission to Proceed with Caution When Considering the Full Set of Limitations on the Free Handset Policy Proposed by SECA.

- The SECA limitations would not provide bright-line guidance to E-Rate constituents or to USAC.
- The SECA suggestions would contradict the broad, inclusive policy already established in the *Clarification Order*.
- USAC is poorly equipped to determine which marketing practices have become "commercially common" within the industry, and lacks authority to do so in any event.